

## REMARKS

Applicant respectfully requests reconsideration of the present application in view of the foregoing amendments and in view of the reasons that follow.

Claims 1-15 have been previously cancelled.

Claims 21, 22 and 23 are currently cancelled

Claims 16 and 24 are currently being amended.

This amendment adds, changes and/or deletes claims in this application. A detailed listing of all claims that are, or were, in the application, irrespective of whether the claim(s) remain under examination in the application, is presented, with an appropriate defined status identifier.

After amending the claims as set forth above, claims 16- 20 and 24-29 (11 claims) are now pending in this application.

The Office Action of May 31, 2005 and the references cited therein have been considered. In response to the rejections to the claims, the Applicant provides the following comments. As demonstrated, however, each of the rejections is believed overcome, with the application being placed in condition for allowance. Accordingly, reconsideration and allowance of this application is respectfully requested.

On page 2, paragraph 2 of the Office Action, the Examiner has rejected claims 16-29 under 35 U.S.C. §102(e) as being anticipated by the Devarakonda et al. (U.S. Patent No. 6,757,729). Devarakonda discloses a virtual environment manager for network computers. Devarakonda teaches network-based services, i.e., services provided by the network, to applications on network computers in a flexible and portable way (see col. 1, lines 41-43). The virtual environment manager (VEM) disclosed in the Devarakonda patent allows applications on network computers to use network services in a way that is independent of the architecture of the network

computer and server to which the network computer itself is connected for execution of the applications (see col. 1, lines 45-54).

In response to the rejection, Applicant has amended independent claim 16 and independent claim 24 to clarify that an application execution component (AXE) for executing application programs reside on the terminal and that the application execution component is ported to the terminal only once. Support for these amendments can be found at least in paragraphs 0019, 0056, and 0057 of the Substitute Specification as well as illustrated in Figs. 5 and 7 as originally filed. Claims 21-23 have been cancelled. No new matter has been added.

Contrary to that which is disclosed in the Devarakonda patent, the present application discloses and claims a system and network that provides an architecture for the provision of user services to IP-based intelligent terminals. The network provides connectivity only and merely acts as a transport network offering no specific network services.

In the present application, as disclosed and claimed in each independent claim (16, 24, 27 and 29) the server stores specific subscribable services which are accessible, on demand, by a user at a terminal connected to the server through the network in which a downloadable program corresponding to the services can be executed. The application execution component (AXE) is downloaded once to the intelligent terminal. User's services that are accessible from the network are downloaded to the user's terminal and executed in the application execution component residing on the terminal. Several examples of such arrangement are described in paragraphs 0057-0074 of the Substitute Specification. As particularly noted in paragraph 0065 of the Substitute Specification, as originally filed, "the important point to note here is that user services, in this particular case supplementary services for internet telephoning are associated with applications running on intelligent terminals, not some sort of central network entity". In other words, the present application describes and claims a system in which the execution of the services are delegated to the terminals and not executed in the network.

Devarakonda teaches that the services are provided in the network. Applicant's submit that the present application discloses a system that is opposite as that taught by Devarakonda. Therefore, Applicant submits that independent claims 16, 24, 27, and 29, as amended, are not anticipated by Devarakonda. Further, since dependent claims 17-20 which depend from independent claims 16; claims 25-26, which depend from independent claim 24; and dependent claim 28 which depends from independent claim 27 are also not anticipated by Devarakonda. Please note that claims 21-23 have been cancelled in this amendment. Therefore, Applicant respectfully requests that the Examiner withdraw his rejection of claims 16-29, as amended, under 35 U.S.C. §102(e).

On page 5, paragraph 4 of the Office Action, the Examiner responds to arguments made by the Applicant in the amendment filed on February 9, 2005. In response, Applicant submits that Devarakonda, as best understood, requires a virtual environment manager to be downloaded each time a user wants to execute a specific application. The system disclosed and claimed in the present application provides that the application execution component is downloaded to the terminal only once and resides on the intelligent terminal. Applicant submits that that is an entirely different function and mode of operation than that which is disclosed in Devarakonda. Further, contrary to the Examiner's suggestion, the present application does not have to "forbid the use of a VEM". Devarakonda requires the use of a VEM and the present application does not require such virtual environment manager, therefore Devarakonda does not anticipate that which is disclosed and claimed in the present application.

Applicant has attempted to comment to the extent necessary to distinguish the claims over the prior art, but with the intent of not limiting the scope of the invention protection afforded by the patent laws to these claims, any further than absolutely necessary. It is respectfully submitted that each outstanding rejection has now been overcome and that each claim is in condition for allowance. Reconsideration under 37 C.F.R. § 1.111 and § 1.112 is respectfully requested.

Applicant believes that the present application is now in condition for allowance. Favorable reconsideration of the application as amended is respectfully requested.

The Examiner is invited to contact the undersigned by telephone if it is felt that a telephone interview would advance the prosecution of the present application.

The Commissioner is hereby authorized to charge any additional fees which may be required regarding this application under 37 C.F.R. §§ 1.16-1.17, or credit any overpayment, to Deposit Account No. 06-1447. Should no proper payment be enclosed herewith, as by a check being in the wrong amount, unsigned, post-dated, otherwise improper or informal or even entirely missing, the Commissioner is authorized to charge the unpaid amount to Deposit Account No. 06-1447. If any extensions of time are needed for timely acceptance of papers submitted herewith, Applicant hereby petitions for such extension under 37 C.F.R. § 1.136 and authorizes payment of any such extensions fees to Deposit Account No. 06-1447.

Respectfully submitted,

Date 08-31-05

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